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WORLD AFFAIRS

CHINA PLANE ATTACKS

Reds Down British Airliner

U.S. Destroys 2 Red Planes

2 Communist Chinese warplanes shot down a British airliner 30 miles south of Hainan Island in the South China Sea July 23. 10 of the 18 persons aboard were believed killed.[1]

3 U.S. Navy carrier-based planes searching for survivors were attacked by 2 Red Chinese warplanes July 26. The American planes shot down both attacking Chinese aircraft.[2]

Communist China, responding to a British protest, admitted July 26 that its planes had downed the airliner. The Red note expressed regret and promised to consider paying compensation. The Reds said that the attack was made in error — that the British aircraft had been mistaken for a Natl. Chinese warplane.

But Red China said July 27 that the clash between the U.S. & Chinese planes was all the U.S.' fault. It protested that the U.S. planes had committed an "act of aggression" by "invading China's territorial air . . . attacking & shooting down by surprise 2 Chinese aircraft. . . ."

The Red statement charged that the airliner incident happened because of "constant harassment" of the area by U.S. & Chiang Kai-shek air forces.

U.S. Pres. Eisenhower said at his press conference July 28 that Peiping's apologetic attitude toward Britain & abusive tone toward the U.S. was part of the Communist plan to split the Western Allies. He denied that U.S. planes had invaded Chinese territory. He said the U.S. would defend its rights but would not be impulsive or truculent.

Red Attack on Airliner

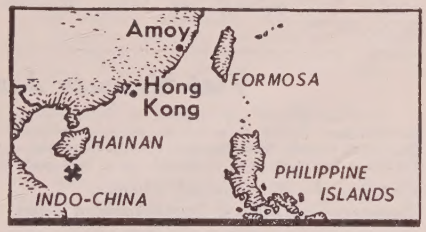
The British airliner, a DC-3 Skymaster operated by Cathay Pacific Airlines, was fired on at 6:45 a.m. July 23 by 2 Russian-built La-7 propeller-driven fighter planes. The Skymaster, with 14 passengers & crewmembers aboard, was attacked en route from Singapore to Hong Kong.

Capt. Philip Blown, the airliner's pilot, told rescuers that the Red planes flew alongside the transport and looked it over before dropping back and opening fire. He incorrectly identified the Communist aircraft as "MIGs" and said he thought they were "piloted by Russians."

The 8 known survivors, including 3 of the 6 Americans aboard, were picked up from a rubber life raft about 3 miles off Hainan shortly after 1 p.m. the same afternoon. All suffered varying degrees of injury. A 9th person on the raft, a badly-injured Chinese woman, died during the rescue, which was made by a USAF SA-16 Albatross amphibian piloted by Capt. Jack T. Woodyard, 34, of Washington. Witnesses said boats from Hainan picked up 3 other persons.

The rescue took place under cover of U.S. Navy carrier planes and French & British aircraft. Communist Chinese officials had warned that any military planes approaching the area would be shot down.

The 3 Americans believed dead were Capt. Leonard Lee Parish of Iowa Park, Tex. & his 2 sons, Laurence, 4, & Phillip, 2. 2 of the Americans saved were Parish's wife & daughter, Valerie, 6. The 3d rescued American was Peter S. Thatcher of Stonington, Conn., a U.S. Defense Dept. civilian employe. Thatcher said the 2 Red planes continued to fire at the airliner as it plunged toward the sea.



Cross designates area off Red Chinese island of Hainan in South China Sea where shooting incidents involved British, Red Chinese, U.S. planes.[3]

Red Attackers Shot Down

The attack on the U.S. planes, 2 propeller-driven Douglas AD Skyraiders & a Corsair, took place at 10:05 a.m. July 26. It was made by 2 La-7s over the South China Sea more than 12 miles from Hainan. A Chinese gunboat joined in firing at the U.S. aircraft.

The U.S. planes shot down the La-7s but did not fire back at the gunboat. The Corsair was piloted by Lt. Comdr. Edgar B. Salsig of Menlo Park, Calif. and the Skyraiders by Lt. Roy M. Tatham of Del Mar, Calif. & Ensign Richard B. Crooks of Los Angeles.

The U.S. aircraft had been launched from the *Essex*-class carrier *Philippine Sea* which, with the carrier *Hornet* & 8 destroyers, was ordered to the area July 24 "to provide fighter cover over the rescue operations to prevent interference."

Dispatch of the carriers was announced July 24 by U.S. State Secy. John Foster Dulles. Dulles, in a statement approved by Pres. Eisenhower, said that his Govt. "takes the gravest view of this act of further barbarity [against the airliner], for which the Chinese Communist regime must be held responsible."

Reds Admit Responsibility

A protest against the shooting down of the airliner was delivered to the Red Chinese Govt. July 24 by Humphrey Trevelyan, British chargé d'affaires in Peiping.[4]

Communist Chinese Vice Forgn. Min. Chang Han-fun replied Jan. 26 with a note in which he called "this unfortunate incident . . . entirely accidental." He said that the Red planes mistook the airliner for a Natl. Chinese warplane. His Govt. "expresses its regret . . . and has taken appropriate measures," Chang said. "It extends its sympathy, concern & condolences to the dead & injured . . . & to their relatives" and "is willing to give consideration to the payment of appropriate benefit & compensation. . . ."

British Forgn. Secy. Anthony Eden told Commons July 26 that his Govt. "welcomes this prompt offer to make amends for this savage & inexcusable

1—see Vol. XIII, p. 348B2 2—see Vol. XIII, p. 19E 3—see map p. 242 4—see p. 235A1 (Consult Index Sections of this & previous volumes for other background references to persons & subjects mentioned in text)

Week in Headlines

International

Red Chinese planes downed British airliner, Americans downed 2 Chinese craft off Hainan Island.

Cease fire took effect in North Viet Nam.

West German "FBI" chief defected to East Germany.

Britain, Egypt initialed agreement on Suez.

ROK Pres. Rhee visited Washington, urged new drive against Red China.

Pakistan banned Communist Party.

United States

13-day filibuster ended, Senate passed revised version of Admin.'s atomic energy bill.

Congressional action completed on housing bill.

House approved $5.2 billion foreign aid appropriation, $1.3 billion tax reduction bill.

Eisenhower implied he would aid campaigns of Congressmen who supported his legislative program.

President raised protective tariff on Swiss watches.

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U.S. Orders: Shoot Back

Adm. Felix B. Stump, U.S. commander-in-chief in the Pacific, revealed at a Pentagon press conference July 26 that U.S. pilots had orders to "be quick on the trigger" if attacked. They were told: "Fire back if approached with hostile intent in peace or war. . . . You don't have to wait & get your head blown off before you shoot back."

attack upon an unarmed passenger aircraft." British Labor Party leader Clement R. Attlee agreed that it was "inexcusable" and urged "strongest" representations to prevent recurrences. The British Govt., replying July 27 to the Chinese note, demanded punishment for those guilty and protested Red refusal to let more than one plane search for survivors. Meantime Prime Min. Churchill ordered all RAF planes to keep clear of Hainan.

U.S., Reds Trade Charges

Dulles, announcing the clash between U.S. & Red planes, declared July 26 that this was "further evidence of the Chinese Communist brutality [& a] belligerent interference with a humanitarian rescue operation being conducted over the high seas."

The U.S. Govt. asked Britain July 27 to have its Peiping chargé* deliver to the Red Chinese Govt. 2 notes protesting (a) the killing & wounding of U.S. citizens in "the barbarous & lawless attack" on the airliner and (b) the attack on the carrier planes. The notes demanded punishment of those responsible, compensation for victims & their families and measures to prevent repetition of such incidents.

Chang Han-fun announced almost simultaneously July 27 that the Peiping Govt. was protesting "most strongly" against U.S. destruction of the 2 Red planes. He gave "serious warning" to the U.S. "to stop immediately such acts of aggression" or "suffer the consequences."

According to Chang's protest: 4 fighter planes from the U.S. carrier unit "invaded China's territorial air over Port Yulin" at 9:25 a.m. July 26. The 2 Red planes were shot down by 12 U.S. fighter planes which "invaded the air above Lohwei of Hainan Island." "Thereafter another 2 U.S. fighter airplanes dived to strafe 2 Polish merchant ships & a Chinese escort vessel" but "fled when the Chinese escort vessel fired back in self defense."

"For several years the U.S. imperialists occupying [Formosa] have been providing the Chiang Kai-shek gang with large numbers of aircraft, naval vessels [& war material] and directing & supporting the Chiang Kai-shek gang to harass constantly China's coastal areas & islands,[1] to drop secret agents over China and to practice piratical interception & robbery of various nations sailing to China for trade."[2] Also, U.S. "naval & air forces have on many occasions invaded directly China's territorial waters & . . . air." U.S. "naval & air forces have recently extended their military activities along the South China coast. It was precisely because of the constant harassment of this area by the air forces of the U.S. & [Chiang Kai-shek] that the unfortunate incident of a British transport aircraft occurred."

Moscow radio charged July 27 that U.S. "military authorities used the [airliner] incident . . . for a provocative attack in order to maintain the state of tension in the Far East."

U.S. Reaction

Most U.S. Congress members of both parties gave full support to the action of Navy fliers in shooting down Red planes that attacked them. Senate Minority Leader Lyndon B. Johnson (Tex.) said July 26 that "this is a time for America to unite. . . . Chinese Communists are shooting at our men. There can be no partisanship . . . on such an issue." Senate Forgn. Relations Com. Chrmn. Alexander Wiley (R., Wis.) said that "we are doing now what we did in the case of the pirates of Tripoli." Sen. Stuart Symington (D., Mo.) recalled that he had warned only a week earlier† of "the growing strength of the Communists on the land & sea & in the air." "I don't believe we are taking adequate steps to defend ourselves," Symington declared.[3]

Rep. A. L. Miller (D., Neb.) said, however, that "I don't think we are justified in bringing our planes, ships & personnel to patrol the coast of China to protect British shipping & planes. Let Britain do it."

U.S. Amb.-to-UN Henry Cabot Lodge Jr. said July 26: The Red Chinese "depredations . . . show such reckless contempt for law & order as to convince any one . . . that the Chinese Communist regime is wholly unfit to belong to the United Nations."[4]

*In absence of U.S. diplomatic representation in Peiping. †In Senate speech July 21 protesting "incredible," "shameful" cuts in defense research funds & personnel while Russia stepped up development of intercontinental hydrogen weapons against which there was no known defense. §French Union & Viet Minh military delegates meeting in field at Trunggia since July 4 on truce arrangements.

1—see p. 44C3 2—p. 215F2 3—Vol. XIII, 212N 4—p. 234C1-G2 5—p. 241B1 6—p. 243A-C2

War Ends in North Viet Nam

A cease-fire took effect throughout North Viet Nam at 8 a.m. July 27, but Communist-led Viet Minh troops continued several attacks in the Hanoi-Haiphong area for several hours thereafter.[5]

French Union forces in North Viet Nam started July 27 to regroup for withdrawal under terms of the Viet Namese armistice agreement [see summary of agreement below].

Gen. René Cogny, French Union ground forces commander in North Viet Nam, said that the cease-fire covered 230,000 of his men—100,000 in the French Union Expeditionary Corps (including 25,000 Viet Namese), 55,000 Viet Namese Natl. Army regulars, 30,000 auxiliaries, 30,000 militiamen & 15,000 regional guards.

The French High Command July 23 had ordered an immediate halt to offensive action. But French Union forces continued their defense against continuing Viet Minh attacks.

'Liberation' Drive Foreseen

Red China's Peiping radio reported July 25 that Viet Minh leader Ho Chi Minh had pledged July 22 to "liberate" the rest of Viet Nam.

He said he would use the cease-fire to "adjust the military zones as the first step toward our final goal." "All the people & soldiers from north & south must unite to achieve a final victory," Ho declared. "We must continue our utmost efforts during the peace to win the unification, independence & democracy of the whole nation."[6]

Viet Namese Armistice Agreement

This agreement was signed in Geneva July 21 by representatives of French Union & Viet Minh commanders (latter referred to as commander of "People's Army of Viet Nam") but not by Bao Dai's pro-French Viet Namese Govt. Separate agreements were signed with Laos & Cambodia. This Facts on File summary is based on a text published by the N. Y. Times July 24.

Chapter I—Provisional Military Demarcation Line & Demilitarized Zone

Article 1. Viet Minh forces shall regroup north & French Union forces south of "a provisional military demarcation line" set forth on an official map (roughly on, or up to about 5½ mi. south of, the 17th Parallel). "A demilitarized zone shall be established on either side of the demarcation line to a width of not more than 5 km. . . ."

Art. 2. Regrouping to be complete in 300 days.

Art. 3. Any waterway coinciding with the demarcation line "shall be open to civil navigation by both parties" if each party controls a bank. "The Joint Comm. [see Art. 30—33] shall establish rules of navigation." "Civil craft of each party shall have unrestricted access to the land" it controls.

Art. 4. The demarcation line extends into the territorial waters. All forces shall quit coastal islands on their side of the line.

Art. 5. "All military forces, supplies & equipment shall be withdrawn from the demilitarized zone within 20 days" of the pact's "entry into force."

Art. 6. Only persons specifically authorized by the Joint Comm. may cross the demarcation line.

Art. 7. Only persons concerned with civil administration & relief or specifically authorized by the Joint Comm. may enter the zone.

Art. 8. Each commander shall be responsible for civil administration & relief in the demilitarized zone on his side of the line. He shall determine how many persons may enter the zone for these purposes within totals fixed by the Trunggia Military Comm.§ or the Joint Comm. The Joint Comm. shall determine the number of civil police & their arms in these zones. "No one else shall carry arms unless specifically authorized . . . by the Joint Comm."

Art. 9. This chapter does not limit "the complete freedom of movement, into, out of or within the demilitarized zone, of the Joint Comm., its joint organs, the Intl. Comm. . . . its inspection teams & any other persons, supplies or equipment specifically authorized . . . by the Joint Comm."

Chapter II—Principles & Procedure Governing Implementation of the Present Agreement

Art. 10. Both commanders "shall order & enforce the complete cessation of all hostilities in Viet Nam by all armed forces (they) control."

Art. 11. ". . . The cessation of hostilities shall be simultaneous throughout all parts of Viet Nam." The cease-fire shall take effect in North Viet Nam at 8 a.m. July 27, in Central Viet Nam at 8 a.m. Aug. 1 and in Southern Viet Nam at 8 a.m. Aug. 11 (Peiping time in all cases). After the cease-fire becomes effective in North Viet Nam, neither side shall "engage in any large-scale offensive action in any part of the Indo-Chinese theatre" nor "commit the air forces based on Northern Viet Nam outside that sector." Both sides shall "inform each other of their plans for movement from one regrouping area to another within 25 days."

Art. 12. (a) Within a period to be determined by the Trunggia Military Comm., each party shall

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remove & neutralize mines, booby traps, explosives "& any other dangerous substances placed by it." If this cannot be done "in time, the party concerned shall mark the spot." Commanders shall report to the Joint Comm. all such hazards to the "personnel of the Joint Comm. & to joint organs known to be present after the withdrawal."

"(b) From the time of the cease-fire until regrouping is completed . . . (1) The forces of either party shall be provisionally withdrawn from the provisional assembly areas assigned to the other party. (2) When one party's forces withdraw by a route . . . which passes through the territory of the other party . . . the latter party's forces must provisionally withdraw 3 km. on each side. . . ."

Art. 13. During regroupment, transport planes shall follow corridors, laid out by the Trunggia Military Comm., between the French Union provisional assembly areas & the regrouping zone.

Art. 14. ". . . (a) Pending the general elections which will bring about the unification of Viet Nam . . . civil administration in each regrouping zone shall be in the hands of the party" regrouping there. "(b) Any territory controlled by one party which is transferred to the other party by the regrouping plan shall continue to be administered by the former party until . . . all the troops who are to be transferred have completely left." The withdrawing party shall give the other adequate prior notice as determined by the Trunggia commission. Transfers "shall be effected in successive stages." "The transfer of the civil administration of Hanoi & Haiphong . . . shall be completed within the respective time limits laid down in Art. 15 for military movements.

"(c) Each party undertakes to refrain from any reprisals or discrimination against persons or organizations on account of their activities during the hostilities & to guarantee their democratic liberties." (d) ". . . Until the movement of troops is completed, any civilians residing in a district controlled by one party who wish to go & live in the zone assigned to the other party shall be permitted & helped to do so. . . ."

Art. 15. (a) Withdrawals & transfers of military forces, equipment & supplies "shall be completed within 300 days." (b) ". . . . Successive withdrawals shall be made by sectors, portions of sectors or provinces." Transfers between regrouping zones shall be "in successive monthly installments proportionate to the number of troops to be transferred." (c) Neither side shall permit a "hostile act" or "step . . . which might hamper such withdrawals & transfers. They shall assist one another as far as . . . possible. (d) The 2 parties shall permit no destruction or sabotage of any public property & no injury to the life & property of the civil population" and "no interference in local civil administration. (e) The Joint Comm. & the Intl. Comm. shall ensure that steps are taken to safeguard the forces in the course of withdrawal & transfer.

"(f) The Trunggia Military Comm., & later the Joint Comm., shall determine . . . the exact procedure for the disengagement of the combatants & for troop withdrawals & transfers" on the basis of the above principles & within this framework: (1) The disengagement of combatants & concentration of forces into provisional assembly areas (including the other party's "provisional withdrawal" from these areas) shall be completed in 15 days. Official maps show "the general delineation of the provisional assembly areas." "No troops shall be stationed less than 1,500 meters from the lines delimiting the provisional assembly areas." "Until the transfers are concluded," the Haiphong perimeter shall take in all coastal islands west of: "meridian of the southern point of Kebao Islands; northern coast of Ile Rousse (excluding the island), extended as far as the meridian of Campha-mines; meridian of Campha-mines." (2) "The withdrawals & transfers shall be effected in the following order & within the following periods": French Union forces—Hanoi perimeter 80 days, Haiduong perimeter 100 days, Haiphong perimeter 300 days. Viet Minh—Mantan & Xuyenmoc sector 80 days, Central Viet Nam (first installment) 80 days, Plaine des Joncs sector 100 days, Central Viet Nam (2d installment) 100 days, Point Camau sector 200 days.

Chapter III—Ban on the Introduction of Fresh Troops, Military Personnel, Arms & Munitions, Military Bases

Art. 16. ". . . Introduction into Viet Nam of any troop reinforcements & additional military personnel is prohibited." Troop rotation, temporary duty for individuals in Viet Nam & return of individuals after leave or temporary duty outside shall be permitted under these conditions: "(a) Rotation of units . . . & groups of personnel shall not be permitted for French Union troops stationed north of the provisional military demarcation line . . . during the withdrawal period [see Art. 2]." Up to 50 men a month may enter the northern zone on temporary duty or return after leave or temporary duty outside Viet Nam. "(b) Rotation is defined as the replacement of units or groups of personnel by other units of the same echelon or by personnel who are arriving in Viet Nam territory to do their overseas service there. (c) The units rotated shall never be larger than a battalion—or the corresponding echelon for air & naval force. (d) Rotation shall be . . . on a man-for-man basis" and limited to 15,000 a quarter. (e) Personnel covered in this article "shall enter & leave Viet Nam only through the entry points enumerated in Art. 20 below. (f) Each party shall notify the Joint Comm. & the Intl. Comm. at least 2 days in advance" of such movements. Daily reports of arrivals & departures shall be made to both commissions. (g) Intl. Comm. inspection teams shall supervise & inspect these movements at entry points enumerated in Art. 20.

Art. 17. (a) ". . . . Introduction into Viet Nam of any reinforcements in the form of all types of arms, munitions & other war material . . . is prohibited." (b) ". . . War materials, arms & munitions which have been destroyed, damaged, worn out or used up after the cessation of hostilities may be replaced on the basis of piece-for-piece of the same type & with similar characteristics. Such replacements . . . shall not be permitted for French Union troops stationed north of the provisional military demarcation line . . . during the withdrawal period. . . . Naval craft may perform transport operations between the re-grouping zones." (c) Replacement items shall enter & leave only through entry points enumerated in Art. 20. "(d) Apart from the replacements permitted [by Paragraph (b)], the introduction of war material, arms & munitions . . . in the form of unassembled parts for subsequent assembly is prohibited. (e) Each party shall notify the Joint Comm. & the Intl. Comm. at least 2 days in advance of any arrivals or departure . . . of war material, arms & munitions" and justify them by reports to both commissions. (f) Intl. Comm. inspection teams shall supervise & inspect replacements at entry points enumerated in Art. 20.

Art. 18. ". . . The establishment of new military bases is prohibited" throughout Viet Nam.

Art. 19. ". . . No military base under the control of a foreign state may be established in the regrouping zone of either party. The 2 parties shall ensure that [their] zones . . . do not adhere to any military alliance and are not used" for hostilities or "an aggressive policy."

Art. 20. "The points of entry into Viet Nam for rotation personnel & replacements of material are . . . A zone to the north of the provisional military demarcation line: Lackay, Langson, Tienyen, Haiphong, Vinh, Donghoi, Muongsen. A zone to the south of the . . . line: Tourane, Quinhon, Nhatrang, Bangoi, Saigon, Cap St. Jacques, Tancheau."

Chapter IV—Prisoners of War & Civilian Internees

Art. 21. (a) All PWs & civilian internees "captured since the beginning of hostilities in Viet Nam during military operations or in any other circumstances of war & in any part of . . . Viet Nam shall be liberated within . . . 30 days after . . . the cease-fire becomes effective in each theatre." (b) "Civilian internees" are "all [nonmilitary] persons who, having in any way contributed to the political & armed struggle between the 2 parties, have been arrested for that reason" and detained during hostilities. (c) All PWs & civilian internees shall be surrendered to the other party, "who shall give them all possible assistance in proceeding [home] or [to] the zone of their choice."

Chapter V—Miscellaneous

Art 22. Commanders of both sides shall insure suitable punishment for truce terms violations.

Art. 23. Graves service personnel shall be permitted to remove bodies in territory controlled by the other side. The Joint Comm. shall set procedures & time limits. Commanders shall give each other all facts they have about burial places.

Art. 24. The agreement applies to "all armed forces of either party." These forces "shall respect the demilitarized zone & the territory [including territorial waters & air space] under the military control of the other party and shall [do nothing] against the other party and shall not engage in blockade of any kind in Viet Nam."

Art. 25. Both sides' commanders shall give full protection, aid & cooperation to the Joint & Intl. Comms. & their subordinate units.

Art. 26. Joint & Intl. Comm. costs "shall be shared equally between the 2 parties."

Art. 27. Agreement signatories "& their successors in their functions shall be responsible for insuring the observance & enforcement of the [agreement's] terms & provisions." Commanders shall "insure full compliance . . ."

Art. 28. "Responsibility for the execution of the agreement on the cessation of hostilities shall rest with the parties."

Art. 29. "An Intl. Comm. shall insure the control & supervision of this execution."

Art. 30. A Joint Comm. shall be set up to aid joint actions by the 2 parties.

Art. 31. An equal number of representatives of both sides shall form the Joint Comm.

Art. 32. Presidents of delegations to the Joint Comm. "shall hold the rank of general. The Joint Comm. shall set up joint teams [number determined by the 2 parties] . . . composed of an equal number of officers from both parties. . . ."

Art. 33. The Joint Comm. shall insure execution of these agreement provisions on cessation of hostilities: "(a) A simultaneous & general cease-fire in Viet Nam for all regular & irregular armed forces . . . (b) A regroupment of the armed forces . . . (c) Observance of the demarcation lines" between regroupment & disarmed zones.

Art. 34. An Intl. Comm. composed of Canadian, Indian & Polish representatives and presided over by the Indian shall control & supervise application of the cease-fire agreement.

Art. 35. "The Intl. Comm. shall set up fixed & mobile inspection teams composed of an equal number of officers appointed by each of the above-mentioned states. The fixed teams shall be located at . . . Laokay, Langson, Tienyen, Haiphong, Vinh, Donghoi, Muongsen, Tourane, Quinhon, Nhatrang, Bangoi, Saigon, Cap St. Jacques, Tancheau. These points . . . may, at later date, be altered . . . by agreement between the Intl. Comm. & the command of the party concerned. The zones of action of the mobile teams shall be the regions bordering the land & sea frontiers of Viet Nam, the demarcation lines between the regrouping zones & the demilitarized zones. Within [these] limits . . . they shall have the right to move freely and shall receive [all necessary facilities] from the local civil & military authorities. . . . Beyond the zones of action . . . mobile teams may, by agreement with . . . the party concerned, carry out other movements. . . ."

Art. 36. The Intl. Comm. "shall fulfill the tasks of control, observation, inspection & investigation" connected with applying the agreement and shall: "(a) Control the [regroupment] movement of the armed forces of the 2 parties. . . . (b) Supervise the demarcation lines between the zones of regroupment, and also the demilitarized zones. (c) Control the operations of releasing [PWs] & civilan internees. (d) Supervise at ports & airfields [& frontiers] the execution of the provisions . . . regulating the introduction . . . of armed forces, military personnel . . . arms, munitions & war materials."

Art. 37. "The Intl. Comm. shall, through [its inspection teams,] as soon as possible either on its own initiative or at the request of the Joint Comm. or of one of the parties, undertake the necessary investigations. . . ."

Art. 38. Inspection teams shall report on their operations to the Intl. Comm. and "shall draw up such special reports as they may consider necessary or as may be requested from them by the commission. In the case of a disagreement within the teams, the conclusions of each member shall be submitted to the commission."

Art. 39. Inspection teams shall tell the Intl. Comm. if they cannot settle incidents or if they find violations or threats of serious violation. The commission shall say how to settle the disputes.

Art. 40. "When the Joint Comm. is unable to [agree] on [interpreting] some provision or on the appraisal of a fact, the Intl. Comm. shall be informed." It shall make recommendations.

Art. 41. Intl. Comm. recommendations shall be by majority vote subject to Art. 42's provisions. The chairman's vote shall decide divided votes. The Intl. Comm. may, by unanimous vote, recommend amendments to the agreement.

Art. 42. Intl. Comm. decisions must be unanimous "when dealing with questions concerning violations or threats of violations, which might lead to a resumption of hostilities, namely: (a) Refusal by the armed forces of one party to effect the movements provided for in the regroupment plan. (b) Violation by the armed forces of one of the parties of the regroupment zones, territorial waters, or air space of the other party."

Art. 43. If a party refuses to effect an Intl. Comm. recommendation, the parties concerned or the commission shall inform the Geneva Conf. members. The Intl. Comm. shall submit majority & minority reports to the conference members if it does not reach unanimity in cases provided for in Art. 42. The Intl. Comm. shall inform the conference members if its work is hindered.

Art. 44. The Intl. Comm. shall be set up when hostilities cease.

Art. 45. "The Intl. Supervisory Comm. in Viet Nam shall act in close cooperation with the Intl. Supervisory Comms. in Cambodia & Laos." Activities of the 3 shall be coordinated when necessary by a body comprising an equal number of representatives of all commission states.

Art. 46. The Intl. Comm. unanimously may recommend progressive reduction of its activities.

Art. 47. All provisions save cease-fire arrangements in Art. 11 "shall enter into force at 2400 hours (Geneva time) on 22 July 1954."

Mendes Upheld on Truce

The French Natl. Assembly July 23 gave Premier Pierre Mendès-France a 462-13 vote of approval for his achievement of the Indo-Chinese truce.

Before the vote, Mendès-France denied ex-Forgn. Min. Georges Bidault's charges that the agreements abandoned Indo-China to communism.

Mendès-France told the Assembly July 22 that the real (but previously secret) reason he set a 30-day deadline for getting a cease-fire was his belief that in 30 days the French Expeditionary Corps might have been "exposed to the gravest of dangers."[1]

Other Comment on Truce

U.S. State Undersecy. Walter Bedell Smith, returning to Washington July 23 after the Geneva Conf., denied that the Indo-China truce was "another Munich." The agreement was "the best which we could have possibly obtained under the circumstances," he declared. "At Munich, things were given away when there was no fighting. This is a war. . . . Diplomacy has rarely been able to gain at the conference table what cannot be gained . . . on the battlefield."[2]

Ex-UN Secy. Gen. Trygve Lie said in Oslo July 25 that he saw "a frightful similarity between today's Indo-China & what happened to Czechoslovakia in 1938, 1939 & 1948."

Adlai E. Stevenson in Anchorage, Alaska July 25 called the truce terms a victory for communism in which U.S. policy "defaulted & France salvaged what she could." He called it a "sorry sequel of all the foolish, boastful Republican talk about liberation of the enslaved nations, about unleashing Chiang Kai-shek, seizing the initiative, a new look on foreign policy, no more little wars as in Korea and finally that threatening talk by the Secy. of State & the Vice President about massive atomic retaliation which scared our friends . . . if not our enemies." He said the "original sin" was France's for not ending colonialism but the U.S. must take "the blame for the collapse of our policy in Asia."[3]

Dulles Favors Security Bloc

U.S. State Secy. Dulles urged in a statement July 23 that "free peoples of Southeast Asia" join in "prompt steps" to establish a collective security arrangement for their area. He told a news conference that free nations must not "mourn the past" but must act to "prevent the loss in northern Viet Nam from leading to the extension of communism throughout Southeast Asia & the southwest Pacific."[4]

Anti-Reds Start Evacuation

Evacuation of Hanoi began July 28 with a daily airlift of 300 French & 500 Indo-Chinese nationals to Saigon. French authorities planned to complete Hanoi's evacuation by Oct. 11, Haiphong's by May 19, 1955.[5]

Lt. Gen. Earle E. Partridge, U.S. Far East Air Forces commander, said in Tokyo July 22 that an undisclosed number of FEAF technicians had been evacuated from Indo-China. "The only FEAF personnel remaining in Indo-China are air crews & support personnel operating C-119 Flying Boxcars of FEAF's 315th Air Div.," he said.[6]

U.S. Forgn. Operations Dir. Harold E. Stassen told newsmen in Washington July 22 that "humanitarian-type" equipment such as hospitals & water pumps would be left by the U.S. in Red-controlled northern Indo-China.

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Viet Minh forces July 24 attacked Nhatrang, China Sea coastal town 180 miles northeast of Saigon.[7] . . . Tran Van Do July 24 withdrew his resignation as Viet Namese Forgn. Minister.[8]

OTHER WORLD NEWS

Britain, Egypt Agree on Suez

Egypt & Britain agreed July 27 on broad terms for ending the 72-year British occupation of the Suez Canal Zone. The compromise agreement, initialed in Cairo after 4 years of intermittent negotiation, was to be in force for 7 years.[9] Its major provisions:

- All British troops would be withdrawn from Egypt within 20 months after the signing of a detailed pact still to be worked out.
- Egypt then would be responsible for the security & equipment of the $750 million Suez base. Britain would be permitted to keep parts of the base in "efficient working order," employing British or Egyptian civilians.
- In case of an armed attack on Egypt, any other member of the Arab League or Turkey, Britain would be allowed to put the base on a "war footing" and would consult with Egypt on other steps to be taken.
- Both Egypt & Britain recognized the international importance of the Suez Canal and guaranteed freedom of navigation.[10]

British Prime Min. Sir Winston Churchill, seeking Commons' approval of the pact, said July 28 he was "convinced" it was "absolutely necessary." Forgn. Secy. Anthony Eden told Commons July 28 he hoped the accord would ease Mid-Eastern tensions. Most opposition came from members of Churchill's own Conservative Party who objected to Govt. efforts to limit debate on the agreement. The opposition Labor Party generally supported the move.

The Egyptian Cabinet ratified the agreement soon after it was signed July 27. Premier Gamal Abdel Nasser called it a "good" pact that could be the basis of a new relationship with Britain & the West.

Pres. Eisenhower said July 28 the agreement preserved both the national aspirations of Egypt & the security of the free world. Israeli Prime Min. Moshe Sharett expressed concern July 28 over possible misuse of Egypt's new power. He feared that British withdrawal without any obligation by Egypt to "regularize" its relations with Israel might spur Arab aggression against Israel.

New Cyprus Charter Proposed

Britain announced July 28 that it would give Cyprus a new constitution patterned after those of Britain's African & Asian colonies. This would provide a legislature made up of an elected minority & a majority comprised of colonial officials & appointees. Laborites criticized the move because it did not allow Cyprus to leave the British Commonwealth if its inhabitants wished.

Greek Forgn. Min. Stephan Stephanopoulos said the proposal was an "improvement" over previous ones but unacceptable because it failed to grant Cyprus the right of self-determination. He said Greece would take the issue to the UN.[11]

Saudi Arabian Talks Set

Britain announced July 28 an agreement with Saudi Arabia to submit their dispute over the Baraimi oasis area (potential oil territory on the Arabian peninsula near the mouth of the Persian Gulf) to an arbitration tribunal consisting of one Briton, one Saudi Arabian, 3 neutrals.

Iran Urged to End Isolation

Iranian Premier Fazlollah Zahedi urged his country July 27 to end its isolation in international affairs and develop strength to "command the respect of the free world & enjoy its support." He said recent events had shown it was "an absolute blunder to remain aloof" from world events.[12]

Russia Urges Europe Parley

The Soviet Union proposed in notes to the U.S., Britain & France July 24 a conference on "creating a system of collective security in Europe." Conference members would be the U.S. & all European states wishing "to take part." Russia proposed that a Red Chinese observer attend.

The notes urged acceptance of the draft treaty on European security originally produced by Soviet Forgn. Min. Vyacheslav M. Molotov at the Forgn. Ministers meeting in Berlin Feb. 10. The Russians proposed amending the draft to add provisions for developing East-West trade.

The notes held that NATO- & EDC-type associations could not safeguard security because they were "aggressive alliances" serving "narrow group interests" and opposing "states with a different social system."[13]

Bonn Security Chief Deserts

Dr. Otto John, 45, head of the West German political secret service, disappeared in East Berlin July 22. Allied investigators said there was a "strong possibility" he defected to the Reds voluntarily.

Disappearing at the same time as John was Dr. Wolfgang Wohlgemuth, 48, a well-known surgeon. A letter in Wohlgemuth's handwriting, found on his desk, said in part: "John will not return to the Western sector."

A recording purportedly made by John and aired repeatedly July 23 by

1—see p. 242B3 2—241E1, G3 3—227F3 4—242F3 5—234A1 6—215C2 7—243E2 8—242C3 9—83B3; Vol. XIII, 435F3 10—p. 99F3 11—Vol. X, 331E 12—p. 244E1 13—41B1

the East Berlin radio gave these reasons for his defection: (1) it was a "demonstrative act" to stir all Germans to press for reunification; (2) his work in Bonn had been "made impossible" by his superior official, Interior Min. Gerhard Schroeder, an ex-Nazi; (3) he had been "slandered continuously" by Nazis who were "reappearing everywhere" in Bonn's political & public life. (John was an active anti-Nazi who figured in the July 20, 1944 plot to assassinate Hitler. Shortly before his disappearance he attended memorial rites for other participants, including his brother, who had been executed by the Nazis.)

In a 2d broadcast July 28, John assailed the pro-West policies of West German Chancellor Konrad Adenauer as endangering the national existence of the German people.

Discounting Eastern broadcasts, Schroeder told newsmen July 26 he believed John had been tricked by Wohlgemuth "an active Communist." and had been trapped there. He called Wohlgemuth "an active Communist." Schroeder also said that Wolfgang Von und Zu Putlitz, a pre-war German diplomat now living in the East Zone, tried to persuade John to desert to the East last March.

Washington intelligence sources said July 23 that John was not in a position to compromise U.S. security. John reportedly visited the U.S. unofficially in June and conferred with CIA Dir. Allen W. Dulles. The agency he headed, West Germany's Office for the Protection of the Constitution, was responsible for guarding against treason, espionage & subversion. Dr. Hanns Jess, 67, head of the West German Criminal Police since 1952, was named to succeed John.

Reds Jail 'U.S. Agents'

9 East Germans were jailed July 25 on charges of economic & military espionage on behalf of the U.S. They apparently were arrested on evidence supplied by John. The UP reported that some 300 persons, including 8 Foreign Ministry officials, had been arrested in East Germany since John's arrival.[1]

Rhee Urges War on Red China

South Korean Pres. Syngman Rhee urged the U.S. July 28 to back his country & the Chinese Nationalists in a war to free the Chinese mainland from the Communists.

Speaking before a joint session of the U.S. Congress, Rhee asked the U.S. to supply only naval & air power. The Koreans & Chinese Nationalists would provide the ground troops and "no American foot soldier" would be needed, Rhee pledged.

Rhee warned that Soviet strategy was "to lull Americans into a sleep of death by talking peace until the Soviet Union possesses enough hydrogen bombs & intercontinental bombers to pulverize" U.S. airfields & factories in "a sneak attack."

Victory in China "would swing the balance of power so strongly against the Soviet Union that it would not dare risk war" on the U.S., Rhee predicted. But he said it would be "excellent for the free world" if Russian forces fought in China because that would "justify" the USAF's "destruction" of Soviet production centers before Soviet H-bombs "had been produced in quantity."

Rhee had left Seoul July 25 aboard a USAF Constellation and had arrived in Washington July 26 as Pres. Eisenhower's guest.[2]

NATIONAL AFFAIRS

CONGRESS

Filibuster Ends, Atom Bill Wins

A 13-day filibuster ended July 27 when Pres. Eisenhower's omnibus atomic energy bill (S3690 & HR9757) was passed by 57-28 Senate vote and sent to joint conference. The vote: 44 R. & 13 D. vs. 25 D., Republicans William Langer (N.D.) & John Sherman Cooper (Ky.) & independent Wayne Morse (Ore.).

The measure, a revision of the Atomic Energy Act of 1946, was designed to accomplish 3 purposes: (1) give European allies some information on use (not construction) of atomic weapons; (2) authorize agreements on sharing information on peaceful use of atomic energy with friendly nations; (3) encourage private business to participate in developing industrial uses of atomic energy. The opposition's objective was to eliminate provisions denounced as "give-aways" of public property (atomic patents developed with tax money) to "big business."

Majority Leader William F. Knowland (Calif.) had Marine Corps cots set up in the Senate cloak rooms and kept the Senate for 4 all-night sessions to wear down the opposition.

Morse, protesting GOP leadership tactics used against the filibuster, made an unbroken 12-hr.-24-min. speech starting at midnight July 26 and ending during the noon hour July 27. He took codein pills as he spoke to ease the pain of an ulcerated tooth.*

Dixon-Yates Contract Kept

A major cause of the filibuster was opposition to a proposed Atomic Energy Comm. contract, approved by Pres. Eisenhower, under which Middle South Utilities, Inc. & the Southern Co. (Dixon-Yates group) were to build a plant to supply power to TVA.[3]

By a 55-36 vote July 21 the Senate defeated a move by Sen. Clinton P. Anderson (D., N.M.) to prohibit this contract. The Senate then approved an amendment by Sen. Homer Ferguson (R., Mich.) which specifically permitted it. But by voice vote July 26 the Senate adopted an amendment by Sen. Albert Gore (D., Tenn.) which would ban AEC payment, as proposed in the contract, of the Dixon-Yates group's taxes.

By 45-41 vote July 22 the Senate approved an amendment, opposed by GOP leaders, which would give the AEC authority to generate & sell electric power & "energy other than electric power." The vote: 38 D., 6 R. & Morse vs. 35 R. & 6 D. A supplementary amendment, approved by voice vote, would give public plants preference to buy AEC-produced power.

The Senate July 27 approved an amendment by Sen. Hubert H. Humphrey (D., Minn.) to give the Fed. Power Comm. regulatory power over interstate operations of firms generating electricity from atomic energy. A version of this amendment had been rejected July 26 because many Senators thought it would give the FPC jurisdiction over intrastate operations.

Anti-Filibuster Moves Fail

Knowland lost in a move to invoke cloture (limitation of debate) July 26 when his cloture motion received a favorable vote of only 44-42—or 20 votes less than the necessary ⅔ majority. The vote: 40 R. & 4 D. vs. 38 D., 3 R. & independent Morse.

Senate Minority Leader Lyndon B. Johnson (Tex.) agreed July 24 to cooperate with Knowland in ending the filibuster. Johnson asked for unanimous consent to limit debate without going to the length of cloture. He lost by Morse's objection.

Morse was the dominant figure among the filibusterers. Other leaders in the filibuster were Gore, Anderson, Humphrey, Lehman & Pastore. Knowland, key figure in blocking the filibuster, charged that the extended debate blocked the legislative program.

House Approves Bill

A House version of the bill was approved by 231-154 vote July 26 (195 R. & 36 D. vs. 146 D., 7 R. & one ind.). An amendment by Rep. W. Sterling Cole (R., N.Y.), adopted by 161-118 vote July 23, would prohibit the AEC from selling any electric power generated from atomic energy—a provision directly opposed to one approved by the Senate.[4]

Other Legislation

Foreign Aid. A $5,208,419,979 foreign aid appropriation (HR10051) was passed by 266-128 House vote and sent to the Senate July 28. The vote: 121 R., 144 D. & one ind. vs. 85 R. & 43 D. $2,895,944,000 of the total was "new money," $2,312,475,979 "carry-over" funds from previous years. The Eisenhower Admin. had requested $3,438,549,805 in new funds, $2,582,083,728 in carry-overs.

Biggest cut was in military aid, reduced to $1,341,300,000 from a $1.58 billion request. The $800 million request for military aid to Southeast Asia was cut to $712 million.[5]

Pres. Eisenhower, at his press conference July 28, deplored the House's refusal to grant $17,958,000 requested as U.S. contribution to UN technical assistance. (The House Appropriations Com. rejected the request July 24 after Christopher H. Phillips of the State Dept. testified that the UN Technical Assistance Board had 13 employes from Communist countries.)

*Morse set the record for filibustering when he spoke for 22 hr. 26 min. against the off-shore oil bill Apr. 24-25, 1953. [See Vol. XIII, p. 132L]

1—see p. 135F1 2—p. 170D2 3—p. 218F1-B2 4—p. 224A1 5—p. 215B-F3

Housing. Pres. Eisenhower's omnibus housing bill (HR7839) was passed by 59-21 Senate vote and sent to the White House July 28. Vote on the compromise measure: 38 R. & 21 D. vs. 17 D. & 4 R. Eliminated from the bill was the President's request for a 140,000-unit, 4-yr. public housing program. It retained restrictions on the 35,000 public housing units authorized for the current year.[1]

Taxes. A compromise version of Pres. Eisenhower's tax-reform bill (HR8300) was passed by 315-77 House vote and returned to the Senate July 28. The vote: 201 R. & 114 D. vs. 73 D., one ind. & Republicans August H. Anderson (Minn.), Usher L. Burdick (N.D.) & Wm. A. Dawson (Utah). A Democratic move to kill a 4% tax reduction on stockholders' dividends was defeated by a 227-169 vote (204 R. & 23 D. vs. 165 D., 3 R. & one ind.).[2]

Other Bills. Bills to grant statehood to Alaska (S50 & HR2982) & Hawaii (S49 & HR3575) apparently were killed for this session when the House Rules Com., by voice vote July 26, tabled a resolution to send the legislation to joint conference.[3] . . . A bill authorizing 146 flood control, navigation & beach erosion projects in 41 states, Alaska & Hawaii at a cost of $890,271,514 was signed by Pres. Eisenhower July 27.[4] . . . The President July 2* signed 3 education bills providing for state & White House conferences on education, an educational research program & a Natl. Advisory Com. on Education.[5] . . . The House July 22 passed and sent to the Senate a $1,303,334,628 supplemental appropriation. The Admin. had asked for $1,959,948,267. The measure provided $44,025,000 of $85,750,000 requested for civil defense, $571,600,000 of $1.1 billion requested for military base construction, $15,900,000 of $35 million requested for hospitals & health centers, $82,600,000 —the full request—for ship construction, $22 million for federal aid to airport construction and $300,000 to each state & most territories for diagnostic centers, rehabilitation facilities & hospitals for chronic ills.[6]

OTHER U.S. NEWS

Tariff. Pres. Eisenhower raised tariff rates up to 50% July 27 on imports of watch movements of 17 jewels & less. The order, based on a Tariff Comm. finding that imports of Swiss watches were injuring the American watchmaking industry, was said to affect at least 95% of watch movements imported by the U.S. The Swiss Embassy in Washington protested that the action would damage U.S.-Swiss relations & "the very principle of freedom of trade." The President denied at his news conference July 28 that he was retreating from advocacy of freer world trade. He said U.S. watchmakers' jobs must be protected & their skills maintained because of their importance in making devices for national defense.[7]

Primaries. Gov. Allan Shivers, leader of Texas' pro-Eisenhower Democratic "revolt" in 1952, lost ground to party "loyalists" in a state primary election July 24. He failed by 12,279 votes to win renomination by a clear majority over 3 opponents & faced a runoff with "loyalist" Ralph Yarborough Aug. 28.[8] . . . Sen. John L. McClellan was renominated (tantamount to reelection) by a clear majority over ex-Gov. Sid McMath & 2 minor opponents in the Arkansas Democratic primary July 27. Gov. Francis Cherry, seeking renomination, was forced into an Aug. 10 runoff with Orval Faubus. . . . Sen. Allen J. Ellender won renomination in the Louisiana Democratic primary July 28. . . . Pres. Eisenhower said at his news conference July 28: he would do some traveling next fall & hoped this would not damage anyone who had supported his legislative program. (He had given implied indorsement to 106 Senators & Representatives as of July 27 by posing with them for photos.)[9]

Thomas W. LaVenia was retained July 23 as a McCarthy Subcom. investigator after he testified in a secret subcommittee session that he posed as a "playboy" while a Secret Service agent near Hyde Park, N.Y. in 1943 on an assignment involving the late Pres. Roosevelt's security. He said this may have caused unfavorable reports about him to be made to the FBI.[10]

FOREIGN

Pakistan made its ban on the Communist Party nationwide July 24. The CP previously was outlawed in East Pakistan. Soviet diplomats were restricted July 26 to a 35-mi. radius of Karachi.[11] . . . **Indian** nationalists July 22 seized Dadra, a village in the Portuguese enclave of Damão on the Indian west coast, after killing 3 of the town's 5 policemen.[12] . . . **Tunisian** Nationalist assassin killed Col. René de Benoit de Lapaillonne, chief of the Bey of Tunis' palace guard, July 24.[13]

Czech Roman Catholic Bishop Stephen Trochta of Litomerice received a 25-yr. prison sentence, Rev. Frantisek Rabas a 20-yr. term, Rev. Frantisek Vicek 15 yrs. & Rev. Bohumil Landsmann 7 yrs. after a trial before the Czech Supreme Court on charges of spying for the Vatican, East Germany reported July 27.[14]

ECONOMICS

Deficit Cut in Fiscal 1954

Pres. Eisenhower reported July 22 that the Federal Govt. spent $67.6 billion during the fiscal year ended June 30. The deficit for the year was $3.029 billion—$245 million less than foreseen in January and about $6.4 billion less than in fiscal 1953 when the deficit totaled $9.4 billion. (The Truman budget submitted in Jan. 1953 had foreseen a $9.9 deficit for fiscal 1954.)

The President's report showed that fiscal 1954 expenditures included $46.2 billion for national security programs. The $40.146 billion spent on the military was $3.465 billion less than in fiscal 1953 and $5 billion less than contemplated in the last Truman budget.

Comparative figures (billions):

	Fiscal 1953 Actual	Jan. '53 Truman Estimate	Jan. '54 Eisen'r Estimate	Fiscal 1954 Actual
Spending	$74.3	$77.9	$70.9	$67.6
Receipts	64.8	68.0	67.6	64.6
Indiv. income taxes			33.4	32.4
Corporation income taxes			22.8	21.5
Excise taxes			10.2	10.0
All other taxes			1.2	1.2
Customs			0.59	0.56
Miscellaneous			2.3	2.1
Less refunds of receipts			2.9	3.3

The President said the year-end deficit was less than predicted in January because of "greater economies in operations, supply & personnel," "re-examination of military plans" and "further adjustments of new procurement requirements & stock levels based on a reassessment of our war reserve & equipment needs."[15]

Consumers Price Index compiled by the U.S. Bureau of Labor Statistics rose from 115% of the 1947-49 average on May 15 to 115.1% on June 15 due to a rise of 0.4% in food prices, the BLS reported July 23.[16]

BUSINESS & FINANCIAL SUMMARY

Week Ended JULY 24

	This Week	Last Week	Year Ago
FINANCE:			
U. S. Treasury—			
Monetary gold stocks	*$21,931	*$21,929	*$22,276
Currency circulation	*$29,854	*$29,981	*$30,051
Banks—			
Com'l, ind'l & agri'l loans§	**a$21,647	*$21,728	*$22,651
N. Y. bank clearings	$10,142,593,646	$11,335,485,980	$8,705,169,435
England note circulation	*£1,701.273	*£1,675.996	*£1,586.523
N. Y. Stock Exchange—			
Stock sales (shares)	12,880,692	12,826,400	4,470,550
Stock avgs. (100 stocks)**	164.12	162.76	147.50
Bond sales (par value)	$19,613,000	$22,420,600	$11,440,000
Bond avgs. (30 bonds)**	100.87	100.76	96.03
INDUSTRY:			
Auto output (cars & trucks)†	120,363	125,091	151,167
Crude oil (bbls. daily)	b6,297,000	6,280,700	6,550,600
Soft-coal output (tons)	c5,340,000	1,455,000	6,913,000
Electric output (kwh.)	*b8,951	*8,185	*8,209.203
Carloadings (cars)	b694,545	569,562	791,414
	June	May	June 1953
Ind'l output§¶	124	124	136
Steel output (tons)	r7,363,634	r7,467,000	r9,419,000
PRICES:	This Week	Last Week	Year Ago
Wheat (bu.)	$2.58⅜	$2.60	$2.44⅜
Corn (bu.)	$1.90	$1.88¾	$1.86⅛
Cotton (lb.)	$ .354	$ .3545	$ .3415
Steel scrap avg. (ton)	$26.83	$26.85	$44.83
Wholesale food index‡	d$7.23	$7.23	$6.75
Weekly whlsl. index (BLS)¶	d110.1	110.2	111.0
BUSINESS:			
Dept. store sales§¶	b88	77	84
Failures (July 15)‡	226	196	148

*In millions **N. Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet ¶1947-49=100 §Fed. Reserve Board aMember banks, 94 cities, July 4 bJuly 17 cJuly 10 dJuly 20 rRevised

1—see p. 245E1 2—228G2 3—113E2 4—217F1 5—245E2 6—217F1 7—218F3 8—Vol. XII, 296P 9—XIII, 357A2 10—p. 246G1 11—230C1 12—130C1 13—238A1 14—Vol. XII, 106H 15—p. 130D2 16—230A3

SCIENCE

Cancer Congress. Dr. E. Cuyler Hammond, Amer. Cancer Society research director, told the Intl. Cancer Congress in São Paulo, Brazil July 26 that cigarette smoking affected the death rate from cancer & heart disease but that a strain of tobacco free of harmful elements might be developed.[1] Dr. Ernest L. Wynder of Sloan-Kettering Inst. (New York) said he had found evidence of a cause-&-effect relationship between cigarette smoking & lung cancer. But Dr. W. C. Heuper of Washington, Natl. Cancer Institute research chief, said there was "little if any medical evidence" that cigarettes caused lung cancer.

Dr. Alexander Savitsky of the Soviet Academy of Medical Science reported July 27: 10 million persons (everyone over 35) in the Russian Federated Republic were examined for cancer in 1953 and 65% of those found afflicted were cured. Doctors from other countries said they were skeptical of the rate of cure claimed.[2]

Dr. Ree Trauhaut of the U. of Paris submitted July 24 a recommendation by doctors from 6 European nations that dyes & other substances known to cause cancer in test animals be barred from human food. Dr. Willard E. Smith of NYU-Bellevue Medical Center said 100,000 lb. of such material was used in human food in the U.S. last year with Food & Drug Admin. approval.

Dr. Jeanne Bateman of Geo. Washington U. reported July 27 that active lives of many patients with ovary, breast & brain cancer had been extended through use of the drug thiotepa.

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Carnegie Corp. announced a $250,000 grant July 25 to the Commonwealth Scientific & Industrial Org. of Australia to investigate mysterious radio beams reaching the earth from the moon, sun & stars in the earth's solar system & beyond. . . . **Radioisotopes** used to trace defects in metals, fluids & animal bodies save U.S. industry $100 million a year by replacing more expensive tracer methods, Joseph Campbell, member of the Atomic Energy Comm., reported in a lecture at Rutgers July 21.[3]

SCHOOL & CHURCH

Ford Foundation Pres. H. Rowan Gaither Jr. protested July 24 to the House Special Com. to Investigate Tax-Exempt Foundations that the foundation had been "maligned" in "irresponsible testimony" during open hearings conducted by the committee. Gaither said charges that the foundation had furthered subversive or other un-American causes were "erroneous & baseless . . . sheerest nonsense." He asked that foundations be given an opportunity to reply in open hearings to testimony given against them to avert a damaging effect on "the morale, initiative & freedom of scientific, educational & charitable organizations."[4]

American Bar Assn.'s Citizenship Com. recommended July 25 to the forthcoming ABA convention (Aug. 16-20 in Chicago) that the ABA encourage all U.S. schools to give courses in "the theory & practice of communism . . . in conjunction with the teaching of the theory & practice of Government of the USA under the Federal Constitution." The committee held that "it would be of great value to the youth of our country if they could be adequately shown the differences" between communism & U.S. Constitutional government.[5]

11 Hungarian & Czech Protestant clergymen granted visas to attend a World Council of Churches conference in Evanston, Ill. Aug. 15-31 were denounced July 24 as Communist agents by Msgr. Bela Varga, Roman Catholic president of the Hungarian Natl. Council in Exile in New York. "If they are permitted to leave their Iron Curtain countries . . . they are Communist agents, tools & slaves of the Communists and can be trusted to carry out the Communist will," he said. The 11 clergymen: *Hungarians*—Lutheran Bishops Lajos Zeto & Laszlo Dezsery, Calvinist Bishops Janos Peter & Albert Bereczky & Calvinist minister Laszlo Papp, dean of Budapest Theological Seminary; *Czechs*—Dr. Joseph L. Hromadka of the Evangelical Church of Czech Bretheren in Prague, Dr. Victor Hajek, Prof. Jan Chabada, Dr. Jan Michelko, Gen. Inspector Andrej Ziak & Bishop Emerich Varga. (The World Presbyterian Alliance executive committee expressed "regrets" July 27 that [a] Bishop Peter of Hungary had been denied permission by the U.S. State Dept. to attend an Alliance meeting in Princeton, N.J. and [b] some delegates it invited from East Europe were denied exit visas by their own Govts. The Alliance said that delegates of churches "from nations politically divided" must "be able to confer across all barriers." Czech Dr. Hromadka, advocate of the "coexistence" of Christianity & Communism and an Alliance vice president, was present as the conference opened in Princeton July 27. Hungarians Papp & Bereczky were absent because of the refusal of a visa to Bishop Peter.)[6]

Pres. Eisenhower, addressing the World Christian Endeavor convention (interdenominational Protestant youth representing 26 countries) in Washington July 25, called for "a great moral crusade to determine that men shall rise above this [Communist] conception of materialism (and) live as people who attempt to express . . . what the Almighty would have us do." The President asserted his convictions that: "All men, all masses, do truly long for peace"; "it is only governments that are stupid . . . seek for power, for the right to dominate"; world conflict arose from one side's denial of any "values in life except the material ones" and the other's efforts to uphold "the freedom & dignity of man, and therefore (recognize) the spiritual character."[7]

OBITUARIES

Mary Bartelme, 88, Chicago Juvenile Court Judge 1923-33 who established shelter homes for delinquent girls; July 25 in Carmel, Calif.

Rep. Albert S. Camp (D., Ga.), who would have been 62 July 26, in Congress since 1939; July 24 in Washn.

John Garnet Carter, 71, promoter of Lookout Mt. (Tenn.) as tourist attraction, originator of minature golf; July 21, Chattanooga.

Carl W. Dipman, 65, ed. *Progressive Grocer,* pioneer in self-service food retailing; July 22, Montclair, N.J.

Hugo Ernst, 78, pres. since 1945 of AFL Hotel & Restaurant Employes & Bartenders; July 22 in Cincinnati.

Leonard Goldstein, 51, movie producer (*The Egg & I, Francis the Mule & Ma & Pa Kettle* series); July 23 in Hollywood of stroke.

Maj. Gen. Bernice M. McFadyen, 55, comdr. U.S. troops in Trieste since Feb. 1953; July 22, Leghorn, Italy.

James Ed (Smilin' Ed) McConnell, 62, radio-TV singer (on radio 32 years); found dead July 24, apparently of heart attack, on cabin cruiser at Newport Beach, Calif.

Clayland Tilden Morgan, 60, publicist for French Line, NBC, Air France; July 26 in New York.

Thomas Clinton Mullins, 69, industrialist; July 26 in Chicago.

Nguyen Huu Tri, 62, ex-Gov. of North Viet Nam who resigned over French evacuation of southern Red River Delta June 29; July 26 in Saigon of internal hemorrhage.[8]

Leon A. Paddock, 75, retired pres. Amer. Bridge & Virginia Bridge firms; July 27 in Pittsburgh.

William MacLeod Raine, 83, author of 82 books, many of them Westerns; July 25 in Denver.

Joseph E. Ransdell, 95, Dem. Congressman 1899-1914 & Senator 1914-28 from Louisiana, a leader in obtaining flood control legislation; July 27 in Lake Providence, La.

Ruth Bryan Owen Rohde, 68, first U.S. woman diplomat (Min. to Denmark 1933-36), daughter of Wm. Jennings Bryan; July 26 in Copenhagen of heart attack.[9]

Effie Shannon, 87, stage actress 1874-1943, star of Belasco & Frohman productions; July 23, Bay Shore. N.Y.

Dr. John Duncan Spaeth, 85, ex-pres. Kansas City & Wichita universities, ex-English prof. & rowing coach at Princeton; July 27 in Wayne, Pa.

Dr. Nathan Bristol Van Etten, 88, pres. Amer. Med. Assoc. 1940-41, a founder of Blue Cross, Blue Shield medical insurance; July 23 in N.Y.

Alexander Vlassov, Tass correspondent in Vienna; death announced July 23 in Vienna.

Mrs. Cecil Williams, 48, last member Soc. of the Living Dead (group of Ottawa, Ont. women clock painters poisoned by radium); July 23, Chicago.

Sir Herbert Williams, 69, Conservative MP known for insistence on Govt. economy, protection of private enterprise; July 25 in London.

1—see p. 212E1 2—p. 247E1 3—114C3 4—pp. 247B-C2, 167E3 5—39G2 6—Vol. XIII, 15K 7—141E1 8—p. 227A1, B2 9—Vol. IX, 324D-E

Dr. Albert F. Zahm, 92, who built wind tunnel for aeronautical experiments in 1882, later was chief research engr. for Curtiss & dir. U.S. Navy aerodynamic laboratory; July 23 in South Bend, Ind.

SPORTS

Winners

PGA Golf Title. Melvin (Chick) Harbert, 39, of Detroit won the $5,000 Professional Golfers Assn. championship July 27 in St. Paul, 4 & 3 over defending titlist Walter Burkemo, 35, of Birmingham, Mich.[1]

The U.S. team defeated Canada July 23 in the first international tourney for blind golfers, played in Toronto. Joe Lazaro, 37, of Waltham, Mass. won the North American individual blind golf title.

Horse Racing. $149,785 Arlington Futurity in Chicago July 24: won by T. L. Wilson's & C. T. Houston's Royal Note, Eddie Arcaro up, for $93,345. . . . $109,300 Sunset H'cap in Inglewood, Calif. July 24: won by Calumet Farm's Fleet Bird, Ralph Neves up, for $63,200. . . . $58,800 Monmouth H'cap in Oceanport, N.J. July 24: won by Ogden Phipps' Bassanio, Sid Cole up, for $40,700.[2]

Rowing. Buffalo West Sides won their 4th straight Royal Canadian Henley regatta title July 24 on the Welland Canal, Port Dalhousie, Ont.

Tennis. Canadian natl. titles in Toronto, Ont.: (July 24) *women's singles* — Karol Fageros of Miami Fla.; (July 25) *men's singles*—Bernard Bartzen of San Angelo, Tex.; *men's doubles*—Lorne Main of Toronto & Luis Ayala of Chile; *women's doubles*—Miss Fageros & Ethel Norton of San Antonio, Tex.[3]

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Caribbean Baseball Confed. agreed July 27 to end its season & play-offs by Feb. 15 and to use not more than 5 players from each major league club. . . . **Ralph Branca,** 28, pitcher released July 11 by Detroit, was signed by the N.Y. Yankees July 22.[4] . . . **Washington & Lee U.** canceled its 1954 football schedule and dropped subsidized athletics July 23. . . . **Intl. Olympic Com.** Chrmn. Avery Brundage said July 20 in Moscow that Russia would not be allowed to split its next Olympic team into separate units representing the Ukraine, Byelorussia & the rest of the USSR.[5]

28 swimming records set during the 1953-54 season were approved by the Natl. Collegiate Athletic Assn. July 26. Major records: (short course) *220-yd. freestyle*—2 min. 2.7 sec. & *440-yd. freestyle*—4 min. 28.6 sec., both by Ford Konno of Ohio State; *400-yd. relay*—3 min. 2.9 sec. by U. of Michigan team of R. Gora, T. Benner, J. Wardrop & D. Hill; (long course) *100-yd. freestyle*—51 sec. by Reid Patterson of Georgia.[6]

1—see Vol. XIII, 228C2 2—p. 248F1 3—248G1 4—XIII, 236E2 5—p. 168E2 6—116A2 7—248D2 8—XIII, 192H 9—p. 248D3 10—240F2 11—93G2 12—204C1 13—237D1 14—190B2 15—238C1

MISCELLANEOUS

Disasters & Accidents

Pres. Eisenhower reported July 24 that the Federal Govt. gave $66,683,033 to states for flood, drought & other disaster relief since the program began in 1951. He urged states to do as much as possible to cope with disasters without federal aid. The Agri. Dept. said July 23 it would sell Govt.-owned feed at low prices to farmers & stockmen in Wyoming, Texas, Colorado & New Mexico drought areas. The southern Illinois drought, called the worst in 50 years, was eased by rain July 22.[7]

4 persons were killed & one hurt July 24 when a dynamite charge, used in laying a natural gas line at the bottom of the Tennessee River, exploded prematurely near Savannah, Tenn. . . . 4 soldiers on leave from Camp Chaffee, Ark. & a civilian pilot were killed July 24 when their plane exploded & crashed near Ironton, Mo. . . . 21 persons were killed July 24 near Würms, W. Germany when a passenger train struck a bus at a grade crossing.

11 persons died in floods & landslides caused by heavy rains in southwestern Japan July 26. From 300 to 1,000 deaths were reported July 26 in southeastern Tibet floods a week earlier.

Fire destroyed squatter villages near Hong Kong July 22, killing at least 2 persons and leaving 30,000 homeless.

(The Amer. Red Cross & Flint, Mich. Red Feather agency settled a dispute over disaster relief funds July 22. ARC Chrmn. E. Roland Harriman had charged that Flint got $600,000 ARC aid for 1953 tornado victims, then raised $900,000 from other sources and did not return "one cent" to the Red Cross. The July 22 agreement: the local RC chapter would again participate in Red Feather "united fund" drives but would be allowed to make special fund appeals if local Red Feather resources could not meet Flint's ARC quota for national disaster aid.)[8]

Crime News

Victor H. Lively, 25, of Beaumont, Tex., a roofing salesman arrested near Clayton, Mo. July 23, told St. Louis police he had strangled Dorothy Poore, 18, in the Claypool Hotel in Indianapolis July 16. He said his employer, Albert Cohen, 38, of Belleville, Ill., sent 2 men to help him stuff the body into a dresser drawer. Cohen, who denied the charge, was arrested July 25.[9] . . . Phenix City, Ala., was put under martial rule July 22 as Ala. Gov. Gordon Persons acted to suppress "lawlessness, intimidation, tumult & fear which reigns" in the town. City & county law officials were stripped of their powers and ordered to give up their weapons. Armed Natl. Guardsmen took over law enforcement duties.[10] . . . A Rome magistrate's ruling that Wilma Montesi, center of a narcotics & sex scandal that shook the Italian Govt., was a homicide victim was reported by Italian newspapers July 24. A libel case arising from the death caused the new investigation. Previous inquiries had declared that Miss Montesi died accidentally at Ostia Apr. 9, 1953.[11] . . . Paul A. Pfeffer, sentenced last April to a life term for murder, won a new trial July 21 in Jefferson Co., N.Y. as the result of a confession by John Francis Roche.[12] . . . Jack B. Lyons, 39, was killed by Los Angeles police July 26 after he had kidnapped Dr. & Mrs. Albert N. Anton of Beverly Hills, Calif. in their own car and demanded money. He shot Anton in the arm as police closed in. . . . FBI Dir. J. Edgar Hoover reported July 24 438 violations of federal bank robbery laws in the year ended June 30, a 15% rise over fiscal 1953.[13]

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NAMES IN THE NEWS

Geneviève de Galard-Terraube, 29, heroine of Dienbienphu, was welcomed by a New York City ticker tape parade July 26 when she arrived from France for a 3-week tour of the U.S. She was the 3d foreigner ever officially invited by Congress & the President to visit the U.S. (Others: Lafayette, Hungarian patriot Louis Kossuth). She was given an ovation in the House of Representatives July 27 and was a White House guest July 29.[14] . . . **"Miss Universe 1954"** chosen July 23 in Long Beach, Calif. from 33 contestants: *Miss U.S.A.*, Miriam Stevenson, 21, of Winnsboro, S.C., a senior at Lander College.

"Uranium tunnel" set up at Lone Rock, Wis. by farmer Kenneth Crook was under investigation by the Wisconsin Attorney General's office July 26. Persons seeking aid for various ailments reportedly were paying $10 for 10 visits to the "uranium-lined" tunnel. . . . **Ed Fisher,** 26, of New York, using only a face mask & oxygen tanks, stayed 30 ft. underwater off Key Largo, Fla. for 24 hr. 2 min. July 23 to set a world endurance record for skin diving. . . . **Carl R. Wheeley** of Washington won the individual engine-powered model plane championship July 25 in Westhampton, N.Y. in the first world model air Olympics. The U.S. won the team title. . . . **Emperor Haile Selassie** of Ethiopia spent his 62d birthday July 23 in Belgrade where he visited Yugoslav Pres. Marshal Tito.[15]

Married: Actress Kathleen Hughes, 25, & film producer Stanley Rubin, 36; July 25 in Hollywood, Calif. . . . Singer Lu Ann Simms, 22, & music publisher Loring Buzzell, 26; July 24 in New York.

Divorced: John Jacob Astor 3d, 43, of New York from Gertrude Gretsch Astor, 31, his 2d wife; July 23 in Juarez, Mex. on incompatibility grounds. She received custody of their 5-yr.-old daughter Mary Jacqueline.